

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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Fifth District

April 11, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO AUTHORIZE THE EXECUTION OF AMENDMENT
NUMBER ELEVEN TO THE LEADER INFORMATION TECHNOLOGY AGREEMENT
WITH UNISYS CORPORATION
APRIL 11, 2006 AGENDA ITEM
(ALL DISTRICTS – 3 VOTES)**

**JOINT RECOMMENDATION WITH THE CHIEF INFORMATION OFFICER THAT
YOUR BOARD:**

Approve and instruct the Mayor to sign the attached Amendment Number Eleven to County Agreement Number 68587 (LEADER Agreement) with Unisys Corporation to increase the Total Maximum Contract Sum by \$996,811 to: (a) purchase additional telecommunications hardware, software and services for the expansion of a local office site (DPSS Academy); (b) purchase additional telecommunications hardware, software and services for the expansion of a local office site (El Monte North Tower) to support the DPSS Call Center; (c) purchase 500 additional workstations and 25 additional printers for the LEADER System to support the DPSS Call Center, and to fill new and unmet needs for the Department's Eligibility Workers and clerical staff throughout the County who need access to the LEADER System; and (d) amend certain provisions and a payment schedule of the LEADER Agreement to include the additional telecommunications hardware, software, services, and the additional workstations and additional printers.

The execution of the Amendment will increase the Total Maximum Contract Sum from \$231,879,921 to \$232,876,732. The additional \$996,811 will be subvented by State and federal revenue in the estimated amount of \$911,952. The Net County Cost (NCC) is estimated at \$84,859. The corresponding NCC is included in our FY 2005-06 Adopted Budget. Sufficient funding has been included in the Department's FY 2006-07 Budget Request.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to modify the LEADER Agreement to increase the Total Maximum Contract Sum to purchase additional telecommunications hardware, software, and services to support the future expansion of the DPSS Academy for training new and existing staff; purchase additional telecommunications hardware, software, and services to support the new DPSS Call Center at the El Monte North Tower site; purchase 500 additional workstations and 25 additional printers for additional and/or expanded local office sites, to fill new and unmet needs for the Department's Eligibility Workers and clerical staff throughout the County who need access to the LEADER System; and to amend a certain payment schedule of the LEADER Agreement to include the additional telecommunications hardware, software, services, and the additional workstations and printers.

Attachment A contains the additional hardware, software and services detail, including a breakdown of the costs that total the requested \$996,811. All hardware, software and services will be warranted through the Extended Term of the LEADER Agreement. Payment to Unisys for the additional hardware, software and services will be made upon acceptable completion of work at each site and at the maximum cost as listed in Attachment A.

DPSS Academy

Installation of additional telecommunications hardware and software at the DPSS Academy is needed to support increased training demands. Also, expansion of the DPSS Academy is an integral part of the County's Food Stamp error reduction effort.

El Monte North Tower

Installation of additional telecommunications hardware and software at the El Monte North Tower site is needed to support 139 additional workstations for the LEADER System to be installed at the DPSS Call Center, scheduled for pilot implementation in July 2006.

LEADER Workstations and Printers

The LEADER Agreement currently provides that the County may add an additional 500 workstations and/or laptops to the LEADER System that the County purchases from

either Unisys or a third-party vendor, so long as the equipment is approved by Unisys and Unisys is compensated for all additional costs it may incur during the contract term to support the additional workstations. Unisys has evaluated and tested the proposed workstations and printers to be provided under this Amendment Number Eleven, and has determined that the equipment is compatible with the LEADER System. No payment was made to Unisys for such evaluation and testing.

Amendment Number Eleven will add an additional 500 workstations and 25 additional printers to the LEADER System. Of these, 139 workstations are needed for the DPSS Call Center. The remaining workstations (361) and printers (25) are needed to fill new and unmet needs for the Department's Eligibility Workers and clerical staff at additional and/or expanded local office sites throughout the County who need access to the LEADER System to service our participants. The County will do all site preparation work related to these workstations and printers. No payment will be made to Unisys for such site preparation. Unisys will provide maintenance and repair for such workstations and printers.

On March 15, 2005, your Board approved Amendment Number Ten to the LEADER Agreement that provided that Unisys will not charge the County for certain additional costs, such as help desk support, network management, LAN support, remote LAN support and telecommunications costs, necessary to support up to 500 additional workstations/laptops that County may request be added to the LEADER System during the 24 month Extended Term. Execution of Amendment Number Eleven will add 500 additional workstations to the LEADER System, as provided under Amendment Number Ten.

Amend a Certain Payment Schedule

A certain payment schedule of the LEADER Agreement is amended to include the additional telecommunications hardware, software and services costs for the DPSS Academy and the El Monte North Tower; and to include the costs for the additional 500 workstations and 25 printers for the LEADER System.

Unisys' Warranty

Unisys will warrant all telecommunications hardware, software and services and the additional workstations and additional printers for the LEADER System, through the Extended Term of the LEADER Agreement. Payment to Unisys for the additional telecommunications hardware, software and services and the additional workstations and printers will be made upon acceptable completion of work.

Jury Service Program

The Jury Service Program provisions are added to the LEADER Agreement in this Amendment.

Implementation of Strategic Plan Goals

Amendment Number Eleven is consistent with the principles of County Strategic Plan Goal #1: Service Excellence for improving quality of service and organizational effectiveness. In addition, Amendment Number Eleven is consistent with DPSS' objectives for increasing the efficiency and effectiveness of departmental programs through expanded information technology and communications.

Expansion of the LEADER System is part of the DPSS Business Automation Plan.

FISCAL IMPACT/FINANCING

The execution of this Amendment will increase the Total Maximum Contract Sum of the LEADER Agreement from \$231,879,921 to \$232,876,732. The additional \$996,811 will be subvented by State and federal revenue in the estimated amount of \$911,952. The corresponding NCC is included in our FY 2005-06 Adopted Budget. Sufficient funding has been included in the Department's FY 2006-07 Budget Request.

The attached Summary of Costs (Attachment A) contains the hardware, software and services detail to expand the local office sites (DPSS Academy and El Monte North Tower), and to purchase, install and maintain the additional workstations and printers.

Costs for Fiscal Year 2005-06

The total estimated costs for Amendment Number Eleven in FY 2005-06 are \$408,459. These costs will be subvented by State and federal revenue in the estimated amount of \$373,687. The NCC is estimated at \$34,772. Sufficient funding is included in the FY 2005-06 Adopted Budget.

Costs for Fiscal Year 2006-07

The total estimated costs for Amendment Number Eleven in FY 2006-07 are \$588,352. These costs will be subvented by State and federal revenue in the estimated amount of \$538,265. The NCC is estimated at \$50,087. Sufficient funding has been included in the Department's FY 2006-07 Budget Request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Amendment was reviewed and approved as to form by County Counsel. As with the existing LEADER Agreement and its previous amendments and modification notices, outside counsel, Mitchell, Silberberg & Knupp LLP, also reviewed and commented on the Amendment Number Eleven in accordance with your Board's policy regarding technology contracts.

The California Health and Human Services Agency has approved our request for additional telecommunications hardware, software and services for the DPSS Academy and the DPSS Call Center. State approval to purchase the additional workstations and additional printers for the LEADER System is pending. Federal approval is not required.

Upon State and your Board's approval, DPSS will notify the Executive Officer, Board of Supervisors, and request the return of two (2) original signed copies of this Amendment and one (1) adopted stamped Board Letter to the Department of Public Social Services.

This is not a Prop A contract and accordingly is exempt from the requirements of the Living Wage Ordinance.

CONTRACTING PROCESS

Unisys was selected via a competitive solicitation. On September 12, 1995, your Board awarded a 7.5-year contract (with the option for two additional years) to Unisys to provide an automated welfare system. Amendment Numbers Three and Four approved by your Board extended the 7.5-year contract term by two years to April 30, 2005, making the Initial Term of the Agreement 9 years and 6 months. On March 15, 2005, your Board approved Amendment Number Ten to extend the contract term for the optional two years, from May 1, 2005 through April 30, 2007.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The execution of Amendment Number Eleven augments the LEADER System by allowing for additional hardware, software and services to support the increasing needs of our participants and our staff. In addition, expansion of the DPSS Academy is an integral part of the County's Food Stamp error reduction effort.

CONCLUSION

Upon your Board's approval, the Executive Officer, Board of Supervisors, is requested to return two (2) original signed copies of this Amendment and one (1) adopted stamped Board Letter to the Department of Public Social Services.

Respectfully submitted,

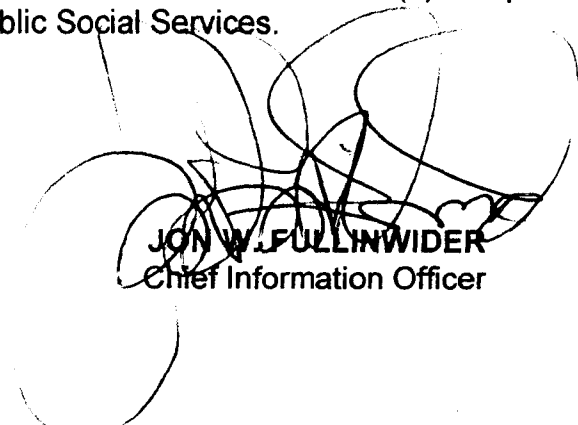


BRYCE YOKOMIZO
Director

BY/JWF:pcr

Attachment

c: Executive Officer, Board of Supervisors
 Chief Administrative Officer
 County Counsel
 Chair, Information Systems Commission
 Auditor-Controller



JON W. FULLINWIDER
Chief Information Officer

Summary of Costs for Amendment Number Eleven

Telecommunications/Other Hardware/Software/Services One-Time Fixed Unit Prices and Fixed Monthly Rates
for Additional and Expanded Local Office Sites
During any Extended Term

DPSS Academy II (Expanded Local Office Site)

| Item # | Item Description | Hours | One-Time Fixed Unit Price | Optional Yr 1 Months | Optional Year 1 Fixed Monthly Rate | Optional Yr 2 Months | Optional Year 2 Fixed Monthly Rate | Maximum Total Price |
|--------|--|----------|---------------------------|----------------------|------------------------------------|----------------------|------------------------------------|---------------------|
| 153 | Telecom Specialist | 10.00 | 78.29 | N/A | N/A | N/A | N/A | 782.90 |
| 154 | Asst. Telecom Specialist | 4.00 | 77.19 | N/A | N/A | N/A | N/A | 308.76 |
| 155 | Customer Service Engineer -Install Printers/Telecom | 22.00 | 145.00 | N/A | N/A | N/A | N/A | 3,190.00 |
| | Subtotal Unisys Labor | | | | | | | \$4,281.66 |
| 156* | Cisco 4506 Switch | Quantity | | | | | | |
| 157* | Custom Cable (Cables) | 1.00 | 34,756.50 | N/A | N/A | N/A | N/A | 34,756.50 |
| 158 | Sales Tax (8.25%) | 1.00 | 1,608.60 | N/A | N/A | N/A | N/A | 1,608.60 |
| 159 | Transportation & Procurement | N/A | 1,684.27 | N/A | N/A | N/A | N/A | 1,684.27 |
| | Subtotal Telecommunications | 1.00 | 1,531.16 | N/A | N/A | N/A | N/A | 1,531.16 |
| | | | | | | | | \$39,580.53 |
| 160 | Network Communication Center Cisco 4506 Switch | 1.00 | N/A | N/A | N/A | 12 | 282.58 | 3,390.96 |
| | Subtotal Network Communication Center (to be billed monthly in arrears) | | | | | | | \$3,390.96 |
| | Total | | | | | | \$282.58 | \$47,253.15 |

* Includes all embedded and/or related software, and maintenance and warranty through any Extended Term.

Summary of Costs for Amendment Number Eleven

Attachment A

Telecommunications/Other Hardware/Software/Services One-Time Fixed Unit Prices and Fixed Monthly Rates for Additional and Expanded Local Office Sites During any Extended Term

El Monte North Tower (Expanded Local Office Site for DPSS Call Center)

| Item # | Item Description | Hours | One-Time Fixed Unit Price | Optional Yr 1 Months | Optional Year 1 Fixed Monthly Rate | Optional Yr 2 Months | Optional Year 2 Fixed Monthly Rate | Maximum Total Price |
|-------------------|--|----------|---------------------------|----------------------|------------------------------------|----------------------|------------------------------------|---------------------|
| 161 | Telecom Specialist | 10.00 | 78.29 | N/A | N/A | N/A | N/A | 782.90 |
| 162 | Asst. Telecom Specialist | 4.00 | 77.19 | N/A | N/A | N/A | N/A | 308.76 |
| 163 | Customer Service Engineer - Install Telecom | 16.00 | 145.00 | N/A | N/A | N/A | N/A | 2,320.00 |
| 164 | Customer Service Engineer - Install Workstations | 139.00 | 145.00 | N/A | N/A | N/A | N/A | 20,155.00 |
| | Subtotal Unisys Labor | | | | | | | \$23,566.66 |
| 165* | Cisco 4510 Switch | Quantity | | | | | | |
| 166* | Custom Cable (Cables) | 1.00 | 73,581.75 | N/A | N/A | N/A | N/A | 73,581.75 |
| 167 | Sales Tax (8.25%) | 1.00 | 1,728.00 | N/A | N/A | N/A | N/A | 1,728.00 |
| 168 | Transportation & Procurement | 1.00 | 3,177.78 | N/A | N/A | N/A | N/A | 3,177.78 |
| 169 | Circuit Install | 1.00 | 2,888.90 | N/A | N/A | N/A | N/A | 2,888.90 |
| | Subtotal Telecommunications | | | | | | | 665.18 |
| | | | | | | | | \$82,041.61 |
| 170 | Network Communication Center Cisco 4510 Switch | 1.00 | N/A | N/A | N/A | 12 | 282.58 | 3,390.96 |
| | Subtotal Network Communication Center (to be billed monthly in arrears) | | | | | | | \$3,390.96 |
| 171* ¹ | Workstations | Quantity | | | | | | |
| 172 | State Environmental Fee | 139.00 | 1,282.37 | N/A | N/A | N/A | N/A | 178,249.43 |
| 173 | Sales Tax (8.25%) | 139.00 | 8.00 | N/A | N/A | N/A | N/A | 1,112.00 |
| 174 | Transportation & Procurement | N/A | 12,787.42 | N/A | N/A | N/A | N/A | 12,787.42 |
| | Subtotal Workstations | 1.00 | 11,624.93 | N/A | N/A | N/A | N/A | 11,624.93 |
| | | | | | | | | \$203,773.78 |
| | Total | | | | | | | \$312,773.01 |

* Includes all embedded and/or related software, and maintenance and warranty through any Extended Term.

¹ These additional workstations shall meet or exceed the following specifications: Intel Pentium 4 processor 2.80GHz, 512MB memory, 17inch flat panel monitor, 40GB hard drive and Windows XP SP2 operating system.

Summary of Costs for Amendment Number Eleven

**Telecommunications/Other Hardware/Software/Services One-Time Fixed Unit Prices and Fixed Monthly Rates
for Additional and Expanded Local Office Sites
During any Extended Term**

Additional Workstations and Printers (Various Additional and/or Expanded Local Office Sites)²

| Item # | Item Description | Hours | One-Time Fixed Unit Price | Optional Yr 1 Months | Optional Year 1 Fixed Monthly Rate | Optional Yr 2 Months | Optional Year 2 Fixed Monthly Rate | Maximum Total Price |
|-------------------|--|----------|---------------------------------|----------------------------|--|----------------------------|--|---------------------|
| 175 | Customer Service Engineer - Install Workstations | 361.00 | 145.00 | N/A | N/A | N/A | N/A | 52,345.00 |
| 176 | Customer Service Engineer - Install Printers | 25.00 | 145.00 | N/A | N/A | N/A | N/A | 3,625.00 |
| | Subtotal Unisys Labor | | | | | | | \$55,970.00 |
| 177 ^{*1} | Workstations | Quantity | | | | | | |
| 179 | State Environmental Fee | 361.00 | 1,282.37 | N/A | N/A | N/A | N/A | 462,935.57 |
| 180 ^{*3} | Printers | 361.00 | 8.00 | N/A | N/A | N/A | N/A | 2,888.00 |
| 180 | Sales Tax (8.25%) | 25.00 | 1,815.00 | N/A | N/A | N/A | N/A | 45,375.00 |
| 181 | Transportation & Procurement | N/A | 36,465.66 | N/A | N/A | N/A | N/A | 36,465.66 |
| | Subtotal Workstations and Printers | 1.00 | 33,150.60 | N/A | N/A | N/A | N/A | 33,150.60 |
| | | | | | | | | \$580,814.82 |
| | Total | | | | | | | \$636,784.82 |

* Includes all embedded and/or related software, and maintenance and warranty through any Extended Term.

¹ These additional workstations shall meet or exceed the following specifications: Intel Pentium 4 processor 2.80GHz, 512MB memory, 17inch flat panel monitor, 40GB hard drive and Windows XP SP2 operating system.

² These additional workstations and printers will be installed in additional and/or expanded Local Office Sites as designated and approved by COUNTY and CONTRACTOR, pursuant to Subparagrah 6.2.2.9 of the Base Agreement.

³ These additional printers shall meet or exceed the specifications of printer model HP Laserjet 4250DTN.

| | |
|--------------------|---------------------|
| Grand Total | \$996,810.99 |
|--------------------|---------------------|